



HOUSING NOW

New Brunswick

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

VOLUME 7, EDITION 3
THIRD QUARTER 2004

Housing Starts Down

Residential Construction Remained Weaker in the Third Quarter

✓ Single starts in all areas of New Brunswick remained strong in the third quarter, with 1,075 units—only a few short of last year's level of 1,080 units. However, the rise in single starts in the third quarter was offset by a 41 per cent decline in multiple starts (298 units compared to 505 units in 2003).

✓ As a result, total housing starts in the third quarter reached 1,373 units at the provincial level, a 13.4 per cent drop when compared to last year. Despite the drop, this represents the second-strongest quarter for new home construction since 1985, when builders started 1,498 units over that period.

✓ In urban areas, housing starts reached 920 units in the third quarter, a 12.9 per cent drop when compared to last year. The decline in urban areas was mainly due to fewer multiple starts. In the third quarter, urban multiple starts reached 284 units, a 30.4 per cent drop when compared to last year. Multiple starts were down significantly in all three larger urban centres. Single starts reached 636 units in the third quarter, compared to 648 units in 2003.

✓ In rural areas, total housing starts also declined, from 529 units in the third quarter last year to 453 units in 2004.

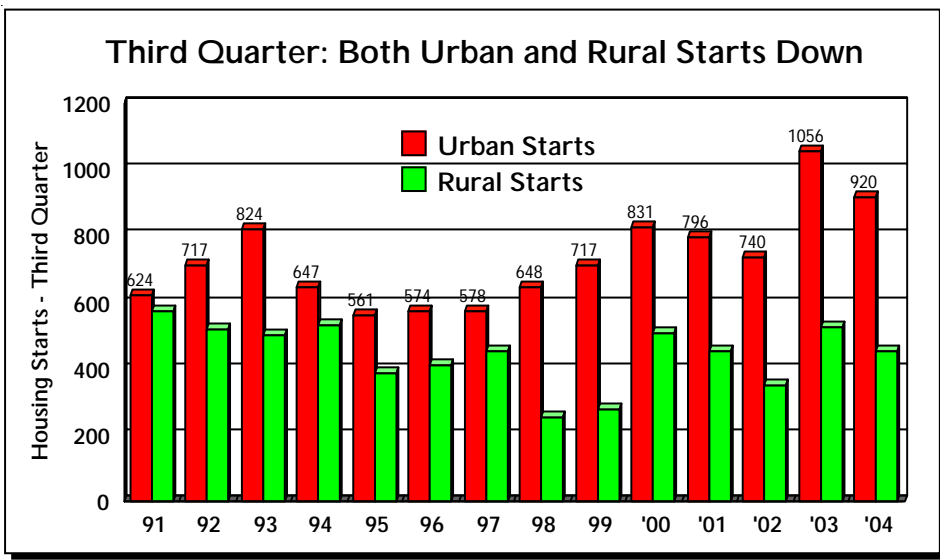
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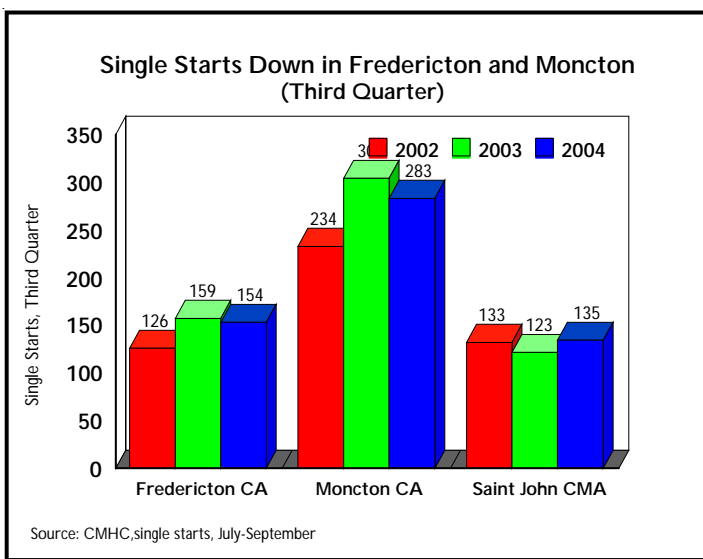
HOME TO CANADIANS
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FREDERICTON MONCTON SAINT JOHN

Housing Market Overview

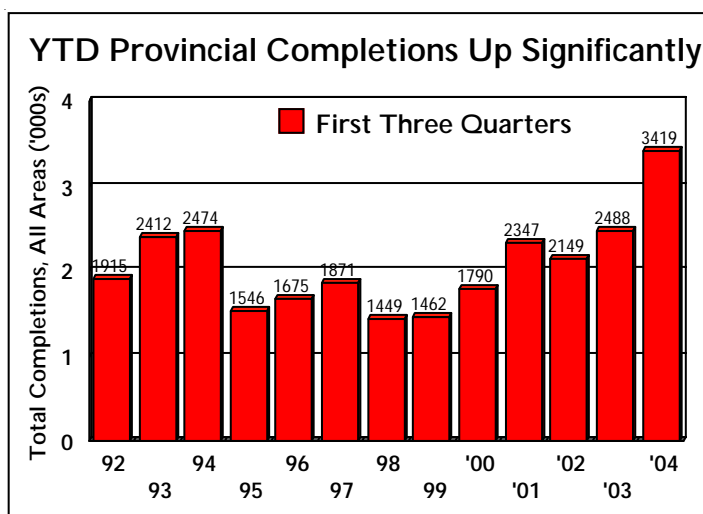
Third Quarter Single Starts on the rise in Saint John

- ✓ Third quarter single starts increased in Saint John, with 135 units compared to 123 units last year. Over the same period, single starts in Fredericton dropped slightly to 154 from 159 units and in Moncton from 304 to 283 units.
- ✓ Strong levels of construction activity in the third quarter in Saint John have pushed year-to-date single starts to 288 units, a 2.1 per cent increase compared to 2003. The Capital region continues to benefit from solid labour market conditions and a shortage of listings on the resale market, within city limits in particular. Despite the drop in the third quarter, this explains the 10.6 per cent increase in single starts so far this year.



Completions on the Upswing

- ✓ Completions in all areas of the province exceeded last year's levels again in the third quarter. Consequently, 3,419 housing units have been completed in New Brunswick so far this year, a 37.4 per cent increase when compared to the 2,488 units completed over the same period last year. This represents the best first three quarters in the province since 1978, when 3,935 units were completed over the January-September period. The significant rise in housing completions so far this year explains, in part, the fewer starts. This is particularly true for multiple units. By the end of September, 1,293 multiple units had been completed in New Brunswick, nearly three times higher than the level of completions recorded last year (441 units). This clearly indicates that so far this year, most builders have focused on completing existing multi-unit projects rather than starting new ones.



Resale market stronger than ever

- ✓ Relatively solid labour markets, intra-provincial migration patterns, low mortgage rates and an ample supply of listings are all key factors that continued to stimulate the provincial resale market in the third quarter. Provincial MLS® sales in the third quarter declined in Saint John, but were particularly strong in Fredericton and Moncton. As a result, year-to-date sales are at a record high in Moncton (1,700 sales) and Fredericton (1,612 sales).
- ✓ The drop in MLS® sales in Saint John is entirely due to a change in the methodology to collect the data rather than a weakening demand for existing homes.

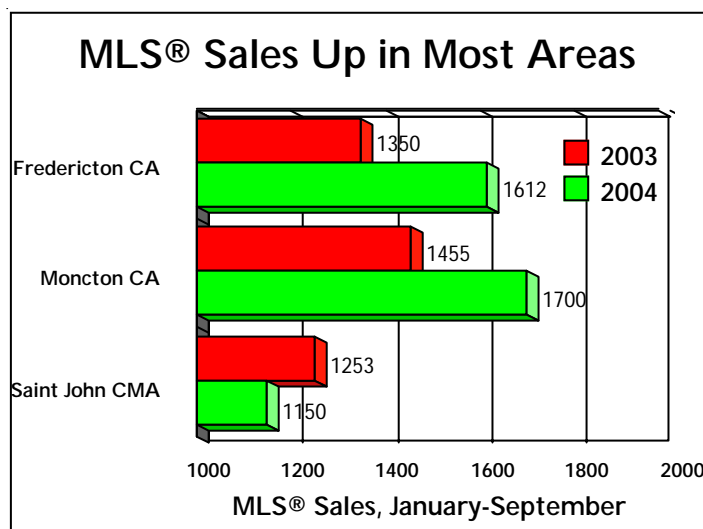


TABLE 1
ACTIVITY SUMMARY BY AREA
New Brunswick

Area	Starts						Completions						Under Construction As at September 30		
	Third Quarter			Year-to-Date			Third Quarter			Year-to-Date			2004	2003	% chg
	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg
Bathurst CA	17	19	-10.5	45	33	36.4	15	11	36.4	39	32	21.9	39	22	77.3
Campbellton CA	5	4	--	11	11	--	5	2	--	12	7	--	3	8	-62.5
Edmundston CA	24	22	--	44	45	-2.2	14	16	-12.5	32	42	-23.8	35	27	29.6
Fredericton CA	225	257	-12.5	549	593	-7.4	176	178	-1.1	588	382	53.9	318	452	-29.6
Miramichi CA	22	19	--	28	34	-17.6	9	14	-35.7	20	33	-39.4	20	23	-13.0
Moncton CA	445	535	-16.8	845	1065	-20.7	371	127	192.1	1480	713	107.6	708	1306	-45.8
Saint John CMA	182	200	-9.0	367	431	-14.8	164	113	45.1	342	262	30.5	256	294	-12.9
TOTAL URBAN AREAS	920	1056	-12.9	1889	2212	-14.6	754	461	63.6	2513	1471	70.8	1379	2132	-35.3
TOTAL OTHER AREAS	453	529	-14.4	868	1079	-19.6	359	319	12.5	906	1017	-10.9	580	172	237.2
TOTAL NEW BRUNSWICK	1373	1585	-13.4	2757	3291	-16.2	1113	780	42.7	3419	2488	37.4	1959	2304	-15.0

Source: CMHC

NEED MORE DETAILED INFORMATION?

Market Analysis Products and Services are designed to suit your needs. CMHC is the source for expert analysis and comprehensive data on housing. If you are in the housing industry, it is critical that you understand the trends and factors behind New Brunswick's housing markets. There is no substitute for the thorough, concise analysis of housing market developments that you get with CMHC's market data and analysis. Contact CMHC's Senior Market Analyst for New Brunswick:



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TABLE 2
STARTS BY AREA AND DWELLING TYPE
Fredericton / Moncton / Saint John

Area/ Period	Single	Semi	Row	Apartment & other	Total	Area/ Period	Single	Semi	Row	Apartment & other	Total
Fredericton City						Grand Bay-Westfield					
July - Sept. 2004	77	2	12	57	148	July - Sept. 2004	4	0	0	0	4
July - Sept. 2003	52	8	40	46	146	July - Sept. 2003	5	0	0	0	5
Jan. - Sept. 2004	170	6	68	95	339	Jan. - Sept. 2004	12	0	0	0	12
Jan. - Sept. 2003	130	18	44	187	379	Jan. - Sept. 2003	12	0	0	0	12
Total Fredericton						Quispamsis Town					
July - Sept. 2004	154	2	12	57	225	July - Sept. 2004	53	0	0	6	59
July - Sept. 2003	159	8	40	50	257	July - Sept. 2003	52	0	0	2	54
Jan. - Sept. 2004	376	10	68	95	549	Jan. - Sept. 2004	110	0	6	8	124
Jan. - Sept. 2003	340	18	44	191	593	Jan. - Sept. 2003	113	0	6	4	123
Moncton City						Rothesay Town					
July - Sept. 2004	90	56	24	46	216	July - Sept. 2004	15	0	0	0	15
July - Sept. 2003	123	32	4	123	282	July - Sept. 2003	13	2	0	0	15
Jan. - Sept. 2004	199	110	24	73	406	Jan. - Sept. 2004	29	0	0	0	29
Jan. - Sept. 2003	233	72	4	238	547	Jan. - Sept. 2003	35	2	3	0	40
Dieppe Town						Saint John City					
July - Sept. 2004	107	14	4	6	131	July - Sept. 2004	34	8	6	18	66
July - Sept. 2003	94	16	14	0	124	July - Sept. 2003	25	4	6	59	94
Jan. - Sept. 2004	217	32	12	6	267	Jan. - Sept. 2004	78	20	6	30	134
Jan. - Sept. 2003	184	30	18	64	296	Jan. - Sept. 2003	64	10	11	109	194
Riverview Town						Saint John - Other outlying areas					
July - Sept. 2004	40	4	0	4	48	July - Sept. 2004	29	0	9	0	38
July - Sept. 2003	25	4	0	38	67	July - Sept. 2003	28	0	0	0	28
Jan. - Sept. 2004	67	10	0	4	81	Jan. - Sept. 2004	59	0	9	0	68
Jan. - Sept. 2003	61	10	0	38	109	Jan. - Sept. 2003	52	0	4	0	56
Total Moncton CA						Total Saint John CMA					
July - Sept. 2004	283	74	28	60	445	July - Sept. 2004	135	8	15	24	182
July - Sept. 2003	304	52	18	161	535	July - Sept. 2003	123	6	6	61	196
Jan. - Sept. 2004	568	154	36	87	845	Jan. - Sept. 2004	288	20	21	38	367
Jan. - Sept. 2003	586	112	22	345	1,065	Jan. - Sept. 2003	276	12	24	113	425

Note: Other outlying areas include Greenwich Parish, Kingston Parish, Musquash Parish, St. Martins Parish, St. Martins Village, Simonds Parish, Lepreau Parish, Petersville Parish, Hampton Town, Hampton Parish and Upham Parish.

Housing Now is published 4 times a year for the New Brunswick market. Annual subscriptions to *Housing Now* for New Brunswick are \$55.00 plus applicable taxes. This publication is also available in French. For more information, or to subscribe, contact Michèle Clark at the Atlantic Business Centre at (902) 426-4708.

Ce document est disponible en français. Veuillez communiquer avec Michèle Clark au Centre d'affaires de l'Atlantique au (902) 426-4708.

Order no. 2086

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